

Approved For Release 2005/06/09 : CIA-RDP80B01495R000100080001-5

Carnegie Endowment for International Peace

Financial Report

Year ended June 30, 1973

345 East 46 Street
New York, N.Y. 10017

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I. Accountants' Report

MAIN LAFRENTZ & CO.

CERTIFIED PUBLIC ACCOUNTANTS

The Executive Committee of the Board of Trustees
Carnegie Endowment for International Peace

We have examined the balance sheet of the Carnegie Endowment for International Peace as of June 30, 1973 and the related statements of income and expenditures and unexpended income balances for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

The statements have been prepared on the basis of cash receipts and disbursements as explained in Note 1 of notes to financial statements.

In our opinion, such financial statements present fairly the assets and liabilities of Carnegie Endowment for International Peace at June 30, 1973, resulting from cash transactions, and the income collected and expense disbursed and changes in unexpended income balances during the year then ended, on a basis consistent with that of the preceding year.

Main Lafrentz & Co.
Certified Public Accountants

New York, New York
October 18, 1973

Balance Sheet (Note 1)

June 30, 1973 and 1972

	Assets	1973	1972
Income Funds			
General Fund			
Cash		\$ 94,228	\$ 164,349
Marketable securities—General Income Reserve (market value—\$495,234 and \$483,175) (Note 2)		296,723	296,723
Marketable securities—Fund for New Projects (market value—\$1,000 and \$576,798) (Note 2)		1,000	428,584
Travel advances		2,841	6,841
Loans and advances to employees		4,052	2,175
Deposit on building (Note 3)		67,500	
Other advances and receivables		14,353	6,129
Miscellaneous supplies		235	195
		<u>480,932</u>	<u>904,996</u>
Furniture and equipment, at nominal amount		1	1
Fund for replacement of furniture and equipment— cash in bank		16,517	15,058
Total General Fund		\$ 497,450	\$ 920,055
International Center Building Fund			
Land, at cost		\$ 768,760	\$ 768,760
Building, at cost		4,612,594	4,612,594
Furniture and equipment, at cost		76,696	76,696
Building and lobby improvements, at cost		120,482	108,220
		<u>5,578,532</u>	<u>5,566,270</u>
Fund for Operations—cash in bank		24,833	3,692
Fund for Amortization of Mortgage—cash in bank		29,698	25,191
Special savings bank deposits		12,294	11,756
Marketable securities (market value—\$793,382 and \$776,305) (Note 2)		622,922	599,647
		<u>664,914</u>	<u>636,594</u>
Total International Center Building Fund		\$ 6,268,279	\$ 6,206,556
Assets			
Corpus Fund			
Endowment Fund			
Marketable securities (market value—\$50,066,197 and \$50,145,497) (Note 2)		\$28,697,463	\$24,628,185
Cash in bank		27,800	
Total Corpus Fund		\$28,725,263	\$24,628,185
Total all Funds		\$35,490,992	\$31,754,796

The accompanying notes are an integral part of these financial statements.

	Liabilities	1973	1972
Income Funds			
General Fund			
Sundry liabilities		\$ 6,541	\$ 6,443
Unexpended income balances			
Restricted			
Ford Foundation grants		14,623	31,662
Carnegie Corporation grants		5,409	1,955
New York Community Trust			340
Rockefeller Foundation grant		45,190	4,000
Donations toward Bilderberg Conferences		16,954	13,794
Miscellaneous—Middle East Project		2,805	18,693
		<u>84,981</u>	<u>70,444</u>
Unrestricted			
Carnegie Peace Fund of 1910			
For Current Projects		91,457	102,448
General Income Reserve		296,361	296,361
Fund for New Projects		1,592	429,300
		<u>474,391</u>	<u>898,553</u>
Income expended for furniture and equipment		1	1
Reserve for replacement of furniture and equipment		16,517	15,058
Total General Fund		\$ 497,450	\$ 920,055
International Center Building Fund			
Mortgage payable, 4½%, due 1/1/91, approximately \$72,000 due in current year		\$ 1,855,431	\$ 1,924,678
Income expended for International Center Building		3,723,101	3,641,592
		<u>5,578,532</u>	<u>5,566,270</u>
Fund for Operations—unexpended income balance		24,833	3,692
Fund for Amortization of Mortgage—unexpended income balance		664,914	636,594
Total International Center Building Fund		\$ 6,268,279	\$ 6,206,556
Corpus Fund			
Endowment Fund			
Principal			
Original principal of Fund		\$10,000,000	\$10,000,000
Special Trust Fund (Note 4)		45,939	45,939
Realized net gains on investments (Note 5)		18,679,324	14,569,412
Due to custodian			12,834
Total Corpus Fund		\$28,725,263	\$24,628,185
Total all Funds		\$35,490,992	\$31,754,796

**Statements of Income and Expenditures and
Unexpended Income Balances**

General Fund (Note 1)			
		1973	1972
Income			
Interest and dividends	\$ 1,337,838	\$ 1,433,937	
Less amortization of bond premiums	<u>3,769</u>	<u>3,859</u>	
	1,334,069	1,430,078	
Stock dividends on Endowment Fund investments allocable to income	44,050		
Realized net gain on General Income Fund investments	160,741	245,183	
Sales of Endowment's publications	10,226	28,454	
Grants from other organizations	170,633	222,231	
Rental income for International Center	62,031	53,171	
Miscellaneous	<u>280</u>	<u>252</u>	
	<u>1,782,030</u>	<u>1,979,369</u>	
Expenditures			
Program	1,452,993	1,421,020	
Office of the President	100,262	96,100	
Office of the Counselor	26,717	42,137	
Office of the Comptroller and Secretary	83,581	73,576	
Employees' benefits and social security	232,966	133,584	
Rent and maintenance of offices	146,718	124,208	
Institutional administration	<u>170,473</u>	<u>151,044</u>	
	<u>2,213,710</u>	<u>2,041,669</u>	
Excess of expenditures over income	<u>\$ (431,880)</u>	<u>\$ (62,300)</u>	
Unexpended income balances, beginning of year	<u>\$ 898,553</u>	<u>\$ 959,912</u>	
Add			
Refund of payments made in prior years	2,107	941	
Refund of unused grants	<u>5,411</u>		
	906,071	960,853	
Deduct			
Excess of expenditures over income	431,680	62,300	
Unexpended income balances, end of year	<u>\$ 474,391</u>	<u>\$ 898,553</u>	

The accompanying notes are an integral part of these financial statements.

International Center Building Fund—Fund for Operations

(Note 1)

	1973	1972
Income—rents and sundries	<u>\$655,312</u>	<u>\$563,969</u>
Expenditures		
Operating		
Salaries and benefits	257,184	224,095
Utilities	69,365	63,547
Supplies and repairs	31,669	26,299
Service contracts	43,449	37,918
Management commission	12,000	12,000
Insurance	22,861	17,250
Lease commission	6,036	12,855
	<u>442,564</u>	<u>393,964</u>
General		
Real estate taxes	21,708	19,983
Interest	85,453	88,483
Legal and auditing	5,984	5,350
Miscellaneous	644	687
	<u>113,789</u>	<u>114,503</u>
Total expenditures	<u>556,353</u>	<u>508,467</u>
Excess of income over expenditures	<u>\$ 98,959</u>	<u>\$ 55,502</u>
Unexpended income balance, beginning of year	\$ 3,692	\$ 6,577
Add excess of income over expenditures	98,959	55,502
	<u>102,651</u>	<u>62,079</u>
Deduct transfer to Fund for Amortization of Mortgage	<u>77,818</u>	<u>58,387</u>
Unexpended income balance, end of year	<u>\$ 24,833</u>	<u>\$ 3,692</u>

The accompanying notes are an integral part of these financial statements.

International Center Building Fund—Fund for Amortization of Mortgage

(Note 1)

	1973	1972
Income		
Interest, dividends and net gain (loss) on investments	<u>\$ 31,952</u>	<u>\$ 73,513</u>
Expenditures		
Principal payments on mortgage	69,247	66,217
Furniture, fixtures, tenants' alterations and building improvements	<u>12,203</u>	<u>26,401</u>
	<u>81,450</u>	<u>92,618</u>
Excess of expenditures over income	<u>\$ (49,498)</u>	<u>\$ (19,105)</u>
Unexpended income balance, beginning of year	<u>\$636,594</u>	<u>\$597,312</u>
Add transfer from Fund for Operations	<u>77,818</u>	<u>58,387</u>
	<u>714,412</u>	<u>655,699</u>
Deduct excess of expenditures over income	<u>49,498</u>	<u>19,105</u>
Unexpended income balance, end of year	<u>\$664,914</u>	<u>\$636,594</u>

The accompanying notes are an integral part of these financial statements.

Notes to Financial Statements

Note 1: Accounting Basis

The financial statements have been prepared on the basis of cash receipts and disbursements, and accordingly do not reflect items of income earned but not received, or liabilities incurred but not paid as of the balance sheet date. Such liabilities consist of accrued expenses payable of \$22,433 applicable to the International Center Building Fund and \$45,175 applicable to the General Fund, and an amount of approximately \$48,000 due to Internal Revenue Service, representing the 4% excise tax on net investment income for the year ended June 30, 1973, pursuant to the Tax Reform Act of 1969. The balance sheet and statement of income and expenditures of the International Center Building Fund do not reflect the depreciation applicable to the building and furniture and equipment. The accumulated depreciation at June 30, 1973 amounted to \$2,332,676, and the depreciation charge on the straight-line basis for the year ended June 30, 1973 to \$99,605.

Note 2: Marketable Securities

Income Funds securities are carried at cost or at market value at date received. Endowment Fund securities are carried at cost, less amortization of premium on bonds where applicable.

Note 3: Deposit on Building

In May 1973 the Endowment entered into a contract to purchase a building for \$675,000 subject to certain conditions relating to occupancy and condition of the building.

Note 4: Special Trust Fund

The Fund comprises amounts received upon dissolution of the American Association for International Conciliation.

Note 5: Gains (Losses) on Endowment Fund Investments

Net gains or losses from sales and redemptions of Endowment Fund investments are not included in income but are applied to Endowment principal. During the current year, net gain from such transactions amounted to \$4,109,911.

II. Supplementary Information

Program Expenditures for the Fiscal Year ended June 30, 1973

Humanitarian Policy Studies	\$ 76,539
Middle East Commission	64,147
International Organization	296,427
Carnegie Visiting Research Scholarships	80,848
International Center	140,162
Face-to-Face	60,885
James T. Shotwell Library	63,871
Arms Control	100,043
Project Dialogue	64,354
Programs in Diplomacy	272,932
Foreign Policy Magazine	45,460
International Law	111,019
Rhodesia Project	18,387
Publications and Public Information	40,814
Other Projects	17,105
Total	<u>\$1,452,993</u>

Payments to Organizations, Institutions, and Individuals

Travel and Maintenance Assistance

The Travel and Maintenance Assistance Program supports comparative research relating to the role of international organizations—multi-national, universal or regional, governmental or non-governmental—as integral parts of the network of international relations with emphasis on three areas: international elite networks; transnational organizations; impact studies. The purpose of this assistance is to enhance the research and teaching skills of the recipient. These scholarships are available to qualified students on the pre- and post-doctoral levels. They are advertised through publication in professional journals, and recipients are selected from the broad public on an objective and non-discriminatory basis with the assistance of an advisory committee composed of scholars in the field of international organization. They are awarded at Carnegie Endowment headquarters in New York and at its European Center in Geneva. None of the recipients has any relationship to any foundation manager or substantial contributor.

Travel and Maintenance Assistance

New York

1971-72

Feld, Werner J.: Louisiana State University

Study: "Interaction between the Domestic Politics and National Bureaucratic Attitudes in the EEC Member States and the Process of Political Integration" **\$2,249.00**

Goodman, Louis Wolf: Yale University

Study: "Decision Making in Multi-National Cooperation in Latin America" **\$4,060.00**

Gottheil, Diane L.: University of Illinois (Urbana-Champaign)

Study: "Some Determinants and Effects of Interactions between the Diplomatic Community and other Elite Groups in a National Capital Setting" **\$3,900.00**

Johnson, Eleanor B.: University of Washington

Study: "A Study of International Scientific Elites: World Fisheries Scientists" **\$346.00**

Partan, Daniel G.: Boston University

Study: "Implementation in Municipal Law of International Standards" **\$525.00**

Ritter, Arch M.: Carleton University

Study: "Optimal Techniques of Nationalization and Indigenization" **\$276.00**

Russell, Robert W.: Northern Illinois University

Study: "The Influence of International Monetary Consultations upon the Policies of the Major Industrial Countries" **\$1,423.00**

Scheinman, Ronald: University of California

Study: "The Implementation of Human Rights in the International Community" **\$574.00**

Weinstein, Brian: Howard University

Study: "La Francophonie: an International and Interracial Elite Alliance" **\$2,800.00**

1972-73

Bennett, James P.: Massachusetts Institute of Technology

Study: "Processes of Restructuring in the Global Stratification System" **\$1,500.00**

Dickerman, Charles R.: Harvard University

Study: "Transgovernmental Interaction between Denmark, Norway and Sweden" **\$1,252.00**

Gallini, Linda Schmitt: University of Michigan

Study: "The Problems of Implementing the Safeguards Agreements of the Non-Proliferation Treaty of 1970 within the Japanese Context" **\$2,300.00**

Hollick, Ann L.: Johns Hopkins University

Study: "Transnational Relations in Law of the Sea Negotiations" **\$3,651.00**

Levy, Steven A.: Cornell University

Study: "Intelsat: Two Views on the International Management of Technology" **\$2,325.00**

Miles, Edward L.: University of Denver

Study: "The International Decision-Making System for the Oceans" **\$1,300.00**

Travel and Maintenance Assistance

Geneva

1971-72

Hetzel, Nancy: Graduate Institute of International Studies

Study: "Regional Cooperation on Environmental Problems among the European States" **\$1,000.00**

Machowski, Jacek: Warsaw University

Study: "The Role of International Organizations in Solving the Tasks Arising from the Revolution in Science and Technology" **\$576.00**

Mekkaoui, Omar: University of Paris

Study: "La Commission Economique des Nations Unies pour l'Afrique" **\$1,100.00**

Pazdzior, Boleslaw: University of Wroclaw

Study: "Recrutement du Personnel du Secrétariat des Nations Unies" **\$1,200.00**

Sadiah, Jan: Institute of International Affairs—Warsaw

Study: "Simulation as a Scientific Method in the Study of International Affairs, particularly International Organizations" **\$391.00**

Thomas, Raymond: Institute of International Relations, Trinidad

Study: "The Problem of Less Developed Territories in the Caribbean Free Trade Association, in Theory and Practice" **\$533.00**

Travel and Maintenance Assistance

Geneva 1972-73

Goodrich, Peter S.: University of Manchester
Study: "British Attitudes Toward the European Community" **\$485.00**

Hussain, Ijaz: University of Nice
Study: "The Role of Dissenting and Individual Opinion at the ICJ" **\$293.00**

Leben, Charles: University of Paris
Study: "L'atteinte sur Droits et Privileges des Etats Membres comme Sanction des Organizations internationales" **\$1,237.00**

Mazzeo, Domenico: Graduate Institute of International Studies
Study: "The Role of Foreign Assistance in the Regional Development of East Africa" **\$817.00**

Osieke, Ebere: King's College—University of London
Study: "Constitutional Character of International Organization" **\$1,200.00**

Taylor, John P.: Graduate Institute of International Studies
Study: "Liberia and the League of Nations" **\$977.00**

Wieczorek, Jerzy: Central School of Planning & Statistics—Warsaw
Study: "Economic Programming in the European Economic Community" **\$1,291.00**

Visiting Research Scholarships

The Carnegie Endowment's Visiting Research Scholar Program has enabled scholars to devote one year to research and to contribute to the advancement of knowledge in the field of international relations. Candidates are chosen on an objective and non-discriminatory basis. None has any relationship to any foundation manager or substantial contributor.

Charles Paolillo, Washington, D.C.
Study: "Congressional Decision Making on U.S. Foreign and Development Policy" **\$20,000.00**

Professor Leon Lindberg, Geneva
Study: "Development of models and theories concerning post-industrial societies with reference to transnational phenomena" **\$28,446.00**

Other Payments

New York Public Library, Fifth Avenue and 42nd Street, New York, New York 10018, for general support **\$500.00**

Institute for World Order, Inc., 11 West 42nd Street, New York, New York 10036, final payment of commitment made in 1968 for partial support of World Order Model Project **\$23,300.00**

Institute for the Study of International Organization, The University of Sussex, Brighton, BWI 9QA, England, final payment of commitment made in 1968 in partial support of the establishment of the Institute **\$5,000.00**

United Nations Association of the United States of America, 345 East 46th Street, New York, New York 10017, final payment in support of UNA-USA's Communication Center in the Carnegie International Center **\$15,000.00**

United Nations Association of the United States of America, 345 East 46th Street, New York, New York 10017, for continuing publication of "Issues Before the General Assembly" in *Vista* magazine upon termination of *International Conciliation* **\$25,000.00**

The United Fund of Greater New York, 100 East 42nd Street, New York, New York 10017, for general support **\$620.00**

MARKETABLE SECURITIES

June 30, 1973

Endowment Fund

Face value	Demand notes	Book value*	Market value
\$ 26,000	Atlantic Richfield Co. undivided interest in demand note	\$ 26,000	\$ 26,000
1,089,000	GTE Sylvania, Inc. undivided interest in demand note	1,089,000	1,089,000
292,000	International Harvester Credit Corp. undivided interest in demand note	292,000	292,000
<u>\$1,407,000</u>	Total demand notes	<u>\$1,407,000</u>	<u>\$1,407,000</u>

Corporate bonds

Financial			
\$ 300,000	Avco Financial Services, Inc., 4 7/8%, senior notes, 12/1/84	\$ 300,000	\$ 213,000
400,000	Beneficial Finance Co., 6 3/4%, 8/1/94	400,000	362,500
300,000	Chemical Bank, 5 7/8%, capital notes, 1/1/92	299,025	246,750
250,000	Commercial Credit Company, 4 3/4%, senior notes, 1/15/82	250,000	195,625
200,000	Commercial Credit Company, 5 1/4%, notes, 1/1/80	200,000	176,750
300,000	John Deere Credit Company, 5%, Series C, 10/31/90	300,000	220,875
300,000	Ford Motor Credit Co., 4.70%, subordinates notes, 4/1/77	300,000	264,750
250,000	General Electric Credit Corp., sub. notes, 4 3/4%, 12/15/88	250,000	170,000
100,000	General Motors Acceptance Corp., deb., 3 3/4%, 9/1/75	98,250	92,000
150,000	General Motors Acceptance Corp., deb., 5%, 3/15/81	149,250	127,125
100,000	Household Finance Corp., 4%, deb., 6/1/78	100,219	86,000
250,000	Household Finance Corp., 4 3/4%, deb., 9/15/93	248,750	179,063
200,000	International Bank for Reconstruction & Development, 5%, 2/15/85	200,000	161,500
300,000	International Bank for Reconstruction & Development, 5 3/4%, 7/1/91	300,000	238,500

Face value	Corporate bonds	Book value*	Market value
300,000	Simpson-Sears Acceptance Co., Ltd., 5 7/8%, deb., Series C, 2/1/80	300,000	261,000
Public Utilities			
250,000	Bell Telephone Co. of Canada, 1st mtge., 4 7/8%, 5/1/88	249,100	178,750
Railroads and airlines			
210,000	Missouri Pacific Railroad Co., 1st mtge., 4 3/4%, Series B, 1/1/90	177,300	124,950
284,250	Pan American World Airways, Inc., 5 1/4%, promissory notes, 4/1/91	284,250	184,052

Industrials

270,000	Alcan Aluminum Corp. (Aluminium Ltd. Guaranteed), 4 3/4%, promissory notes, 12/31/84	270,000	221,400
500,000	Ashland Oil Inc., 8.80%, 2/15/2000	500,000	527,500
350,000	Burlington Industries Inc., conv. sub., 5%, 9/15/91	398,747	287,438
300,000	Churchill Falls Labrador Corp. Ltd. (secured) 1st mtge., 7 3/4%, 12/15/07 ..	300,000	279,750
105,000	Erie Mining Co., 1st mtge., 4 1/2%, Series B, 7/1/83	101,942	75,863
450,000	Ford Motor Company, 8 3/4%, 1/15/90 ..	434,563	468,563
237,500	General Electric Co., notes, 5 3/4%, 11/1/91	237,500	207,813
300,000	Georgia Pacific Corp., conv. sub., 5 3/4%, 12/15/94	321,354	273,750
500,000	Marathon Oil Co., 8 1/2%, 2/1/2000	498,750	510,000
500,000	Natural Gas Pipeline Co. of America, 9 1/2%, 4/1/90	492,500	535,000
550,000	Province of Ontario, Canada, 9 3/4%, 2/15/2000	544,375	596,750
200,000	Socony-Vacuum Oil Co., deb., 2 1/2%, 6/1/76	199,250	172,500
475,000	U. S. Steel Corporation, 4 3/4%, sub. deb., 1/1/96	424,188	314,094
259,500	Xerox Corp., 5 3/4%, promissory notes, 4/1/91	259,500	216,683
<u>\$9,441,250</u>	Total corporate bonds	<u>\$9,388,813</u>	<u>\$8,170,294</u>

*Original cost less amortization of premium, where applicable.

MARKETABLE SECURITIES

June 30, 1973

Endowment Fund

No. of shares	Common stocks	Cost	Market value	No. of shares	Common stocks	Cost	Market value
30,500	Addison-Wesley Publishing Inc.	\$ 253,463	\$ 175,375	21,200	Lubrizol Corp.	899,407	715,500
13,200	Alcon Laboratories, Inc.	386,934	429,000	10,400	Merck & Co. Inc.	754,582	934,700
4,600	American Air Filter Co., Inc.	187,416	86,250	6,500	Millipore Corporation	343,100	302,250
4,700	American District Telegraph Co.	260,449	180,363	8,800	Mobil Oil Corp.	239,584	566,500
22,800	American Home Products	561,965	974,700	14,250	National Data Corp.	470,850	374,063
5,600	Avon Products Inc.	369,710	691,600	7,200	New England Nuclear Corp.	277,604	263,700
9,200	Baker Oil Tools Inc.	258,956	236,900	23,300	Peabody Galion Corp.	760,724	468,913
2,000	Betz Laboratories, Inc.	39,577	78,000	10,000	Polaroid Corp.	879,841	1,372,500
7,400	Black & Decker Mfg. Co.	652,124	806,600	9,200	Procter & Gamble Co.	515,764	956,800
4,200	Charles River Breeding Laboratories Inc.	128,100	115,500	4,400	Puritan-Bennett Corp.	301,125	275,000
12,000	Clorox Co.	147,469	291,000	10,000	Sears, Roebuck & Co.	220,271	951,250
6,000	Coca-Cola Co.	522,808	858,750	10,300	Skaggs Co. Inc.	282,474	227,888
14,400	Dun & Bradstreet Inc.	876,689	1,000,800	15,400	Southeast Banking Corp.	416,509	571,725
18,416	Eastman Kodak Co.	96,870	2,513,784	12,594	Exxon Corp.	161,918	1,240,509
12,700	Eli Lilly & Co.	856,672	1,060,450	13,600	Texas Utilities Co.	129,133	430,100
19,300	First Bank System Inc.	910,100	1,085,625	5,250	Waste Management Inc.	137,125	102,375
6,000	Florida Power & Light Co.	68,213	215,250	11,700	Xerox Corp.	115,610	1,820,813
6,500	Friendly Ice Cream Corp.	130,805	139,750		Total common stocks	<u>\$17,901,650</u>	<u>\$40,488,903</u>
10,000	General Electric Co.	270,353	573,750				
10,000	General Motors Corporation	151,790	665,000				
12,600	Government Employees Life Insurance Co.	756,948	803,250				
8,000	Halliburton Co.	398,253	1,211,000				
13,600	Heublein Inc.	610,485	564,400				
37,100	International Business Machines Corp.	108,228	11,760,700				
10,901	International Flavors & Fragrances, Inc. ..	631,409	1,030,145				
15,000	International Paper Co.	593,796	513,750				
3,000	Johnson & Johnson	155,295	341,625				
14,000	Louisiana Land & Exploration Co.	611,152	511,000				

Summary		
	Book value or cost	Market value
Demand notes	\$ 1,407,000	\$ 1,407,000
Corporate bonds	9,388,813	8,170,294
Common stocks	<u>17,901,650</u>	<u>40,488,903</u>
	<u>\$28,697,463</u>	<u>\$50,066,197</u>

MARKETABLE SECURITIES

June 30, 1973

General Fund—General Income Reserve

Face value	Bonds	Book value*	Market value
\$ 18,000	General Motors Acceptance Corp., 4½%, 12/1/87	\$ 17,820	\$ 13,680
20,000	International Harvester Credit Corp., 4¾%, 8/1/81	20,375	15,925
104,000	U. S. Treasury Bonds, 4½%, 11/15/73	103,825	102,570
<u>\$142,000</u>	Total bonds	<u>\$142,020</u>	<u>\$132,175</u>

No. of shares	Common stocks	Book value*	Market value
1,204	Eastman Kodak Co.	\$ 35,751	\$164,346
800	Lubrizol Corp.	36,524	27,000
500	Merck & Co., Inc.	25,230	44,938
1,000	Mobil Oil Co., Inc.	23,147	64,375
600	Procter & Gamble Co.	34,051	82,400
	Total common stocks	154,703	363,059
		<u>\$296,723</u>	<u>\$495,234</u>

General Fund—Fund for New Projects

Face value		Book value	Market value
\$1,000	General Electric Co. undivided interest in demand note	<u>\$1,000</u>	<u>\$1,000</u>

**International Center Building Fund—
Fund for Amortization of Mortgage**

Face value	Demand note	Book value*	Market value
\$296,000	GTE Sylvania, Inc. undivided interest in demand note	<u>\$296,000</u>	<u>\$296,000</u>
	Bonds		
\$ 85,000	Federal National Mortgage Association, 5.50%, 4/1/75	\$ 85,000	\$ 82,131
50,000	General Motors Acceptance Corp., 4¾%, 12/1/87	49,500	38,000
50,000	Natural Gas Pipeline Co. of America, 9½%, 4/1/90	49,250	53,500
<u>\$185,000</u>	Total bonds	<u>\$183,750</u>	<u>\$173,631</u>

No. of shares	Common stocks	Book value*	Market value
300	Avon Products Inc.	\$ 19,803	\$ 37,056
600	Clorox Co.	7,205	14,550
375	International Business Machines Corp.	13,890	118,875
360	Lubrizol Corp.	16,447	12,150
200	Polaroid Corp.	19,600	27,450
300	Procter & Gamble Co.	14,310	31,200
880	Southeast Banking Corp.	24,585	32,670
500	Texaco Inc.	8,836	17,125
210	Xerox Corp.	18,496	32,681
	Total common stocks	143,172	323,751
		<u>\$622,922</u>	<u>\$793,382</u>

*Cost or market value at date received.

Richard C. Ferguson
Director of Finance and Administration

Department of the Treasury

BEC'D AOGT. SEPT. AUG 14 1972



Internal Revenue Service
Washington, DC 20224

Date:

AUGUST 11, 1972

In reply refer to:

▷ CARNEGIE ENDOWMENT FOR
INTERNATIONAL PEACE
345 EAST 46TH STREET
NEW YORK, NEW YORK 10017

Gentlemen:

In accordance with the notification you recently submitted, we have classified you as a private foundation as defined in section 509(a) of the Internal Revenue Code, and as an operating private foundation as defined in section 4942(j)(3).

Your classification as an operating private foundation is based on the assumption that your operations will be as stated in your notification. Any changes in your purposes, character, or method of operation must be reported to your District Director so he may consider the effect on your status.

Sincerely yours,

Chief, Rulings Section
Exempt Organizations Branch

5 March 1974

abc
NOTE FOR THE DIRECTOR

FROM: Ed Proctor ☐

I have read the attached booklet on the Carnegie Endowment which Tom Hughes sent you. Only one of the programs (FACE-TO-FACE, pages 21-24) looks like it might be adaptable to our needs as a Brookings-type approach to the academic world. The rest of the programs are either inappropriate or too controversial (e.g., PROJECT DIALOGUE which grew out of student reaction to the Cambodian invasion of 1970).

If after reading FACE-TO-FACE you feel we should pursue this possibility, please let me know and I will contact Tom Hughes directly. I will try to determine whether he would be receptive to our participation in this program or to experimenting with a similar program focused on intelligence.

ACTION

STAT

DCI/DDCI
Approved For Release 2005/06/09 : CIA-RDP80B01495R000100080001-5
Routing Slip

TO:

		ACTION	INFO.			ACTION	INFO.
1	DCI			11	IG		
2	DDCI			12	Comp		
3	DDS&T			13	SAVA		
4	DDI	✓		14	ASST/DCI		
5	DDO			15	AO/DCI		
6	DDM&S			16	EX/SEC		
7	D/DCI/IC			17			
8	D/N/O			18			
9	GC			19			
10	LC			20			

SUSPENSE

Date

Remarks:

Are there some
Brookings type
potentials here?

[Signature]

CARNEGIE ENDOWMENT FOR INTERNATIONAL PEACE
1717 Massachusetts Avenue, N.W., Suite 503 Washington, D.C. 20036

Bill -

Executive Registry
74-5103

The attached will give you some idea
of the Endowment's changing shape and
of some of our experimental new
programs.

I think you may even find parts of the
report of real personal interest.

With warm regards.

Tom

Tom Hughes

February 10, 1974